200367



## KANSAS DEPARTMENT OF TRANSPORTATION BUREAU OF TRANSPORTATION PLANNING

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James E. Tobaben Bureau Chief

November 16, 2000

E. Dean Carlson Secretary of Transportation

Bill Graves

Surface Transportation Board Office of the Secretary Case Control Unit Attn: STB Ex Parte No. 582 (Sub-No.1) 1925 K Street, N.W. Washington, D.C. 20423-0001

RE: STB Ex Parte No. 582 (Sub-No.1)

Major Rail Consolidation

Dear Secretary:

Enclosed for filing in the above-captioned docket are the original and twenty-five copies of the Joint Comments of the Kansas Department of Transportation and Kansas Corporation Commission. Also enclosed is a 3.5-inch IBM-compatible floppy disk containing an electronic copy of the Joint Comments in WordPerfect 5.x.

Thank you for your consideration.

Sincerely,

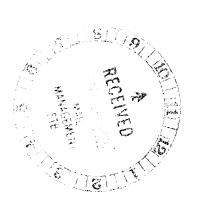
John Jay Rosacker

Enclosures

200367

# BEFORE THE SURFACE TRANSPORTATION BOARD

STB Ex Parte No. 582 (Sub-No.1)



### MAJOR RAIL CONSOLIDATION PROCEDURES

### JOINT COMMENTS OF KANSAS DEPARTMENT OF TRANSPORTATION KANSAS CORPORATION COMMISSION

John Jay Rosacker Attorney at Law Bureau of Transportation Planning Kansas Department of Transportation 217 SE 4<sup>th</sup> Topeka, KS 66603 Glenda Cafer General Counsel Paula Lentz Assistant General Counsel Kansas Corporation Commission 1500 S.W. Arrowhead Road Topeka, KS 66604

Date: November 16, 2000

## BEFORE THE SURFACE TRANSPORTATION BOARD

STB Ex Parte No. 582 (Sub-1)

MAJOR RAIL CONSOLIDATION PROCEDURES

JOINT COMMENTS OF KANSAS DEPARTMENT OF TRANSPORTATION KANSAS CORPORATION COMMISSION Come now the Kansas Department of Transportation ("KDOT") and the Kansas Corporation Commission ("KCC"), (collectively, "the Kansas Agencies") and file their joint comments in this docket before the Surface Transportation Board ("Board").

The Kansas Agencies find the new regulations general in nature and short on specific instructions. The Kansas Agencies urge the Board to instead issue regulations that provide certainty and predictability.

The Board's current proposed guidelines instruct the railroads themselves to propose remedies to mitigate and offset competitive harms and to produce a detailed service program Consequently, these proposed guidelines allow the railroads to self-regulate through the merger application process. In this way, the Board's proposed guidelines provide very little significant changes in the merger application process. None of the issues of service deterioration, elimination of paper barriers, imposition of trackage rights, or open access to captive shipper are addressed in the Board's proposed regulations.

#### **CONCLUSION**

As the Kansas Agencies expounded in their original comments, there are multiple and disconcerting problems resulting from recent mergers in the rail industry. As the Class I railroads continue to build into a massive transcontinental unit, matters of local concern are being left by the wayside: intrastate transport of agricultural products is being gradually dismissed and offered no competitive rail alternatives; captive coal-fired generation facilities are suffering poor service and lack of competition; and, short line railroads are being prevented from making up the difference. The Kansas Agencies urge the Board to reconsider its proposed regulations and take strong action

in its reconsideration of the merger rules and regulations in order to protect these concerns. The Kansas Agencies reserve the right to file more specific comments during the reply phase of this proceeding.

WHEREFORE, for the reasons stated above, the Kansas Agencies request the Board give due consideration to the suggested revisions to its merger regulations.

Respectfully Submitted,

John Jay Rosacker

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#### **CERTIFICATE OF SERVICE**

I certify that I have this day served copies of the Joint Comments of the Kansas Department of Transportation and the Kansas Corporation Commission upon all parties of record in this proceeding, by first class mail, postage prepaid.